

PAPER CODE: BB105: BUSINESS ECONOMICS

Learning Objectives:

- To expose students to basic micro economic concepts
- To understand the demand and Elasticity concept

UNIT-I: INTRODUCTION:

Business Economics: Meaning – Nature, Characteristics & Scope, Micro Economics – Scope & Objectives – Importance, Theory of firm – forms of ownership-Public Sector & Private Sector, Characteristics -Importance of Public and Private Sector in Mixed Economy.

UNIT- II: DEMAND ANALYSIS:

Meaning and Concept - Factors influencing Demand -Types of Demand -Demand Curve - Law of Demand –Exceptions to the law of demand-Elasticity of Demand: Concept - Types of Elasticity of Demand-price, income and cross Elasticity of Demand –Importance of various Elasticity of Demand

UNIT-III: SUPPLY ANALYSIS:

Law of Supply - Factors influencing Supply - Market Equilibrium- Consumer Surplus - Theory of Consumer behavior - Utility and indifference curves. Properties of Indifference Curves.

UNIT-IV: PRODUCTION ANALYSIS:

Concept of Production –Production Function-Total Production - Marginal Production - Average Production –Returns to a Factor- Law of Variable Proportions - Law of Returns to Scale – Isocost – Isoquants - Economies and Dis-Economies of Scale.

UNIT-V: COST AND REVENUE ANALYSIS:

Concepts of Cost - Short run and Long run cost curves - Revenue Curves–relationship between Total Marginal and Average Revenues- Break Even Analysis - Meaning – Assumptions – Uses and Limitations.

SUGGESTED READINGS:

1. Business Economics: V. G. Mankar, Himalaya Publishing House
2. Managerial Economics: Vanith Agrawal, Pearson Education
3. Business Economics: H. L. Ahuja, S. Chand & Co. Ltd.
4. Business Economics : R. K. Lekhi, Kalyani Publishers

5. Business Economics: D. M. Mithani, Himalaya Publishing House

Learning Outcomes :

- Students able to understand demand concept
- Students able to understand production Function